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Publications

REPORT OF THE COMMISSION OF INQUIRY

CONCERNING PROPOSED CHANGES IN THE
CANADA LABOUR CODE, PART III,
TO PROVIDE FOR A MODIFIED WORK WEEK
OF LESS THAN FIVE DAYS

Report;

PHASE I

APPLICATIONS FROM FIVE COMPANIES //

Pursuant to Section 62(a) of the
Canada Labour Code

R.S. c.L-1, Part III
as amended by
1970-71, c.50

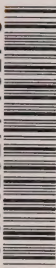


Harris S. Johnstone
Commissioner

September 1972

CANADA DEPARTMENT OF LABOUR

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REPORT OF THE COMMISSION OF INQUIRY

CONCERNING PROPOSED CHANGES IN THE
CANADA LABOUR CODE, PART III,
TO PROVIDE FOR A MODIFIED WORK WEEK
OF LESS THAN FIVE DAYS

The Honourable
Minister of Labour
Ottawa, Canada.

Sir,

PHASE I
APPLICATIONS FROM FIVE COMPANIES

Pursuant to Section 62(a) of the
Canada Labour Code

R.S. c.L-1, Part III
as amended by
1970-71, c.50

I beg to submit herewith my report on Item (1).
A report on Item (2) will be submitted later.

I have the honour to be,

Sir,

Harris S. Johnstone
Commissioner

September 1972

Ottawa, Canada

27 September 1972

The Honourable Martin O'Connell, P.C., M.P.
Minister of Labour
Ottawa, Canada.

Sir,

On June 22, 1972, pursuant to section 62(1) of the Canada Labour Code (Part III, Labour Standards), you appointed me as a Commission of Inquiry

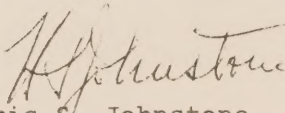
- (1) to inquire into and report on the requests of five companies for a modification of the provisions of section 29 of the Canada Labour Code for the purpose of rearranging their work week in such a way as to compress the standard 40-hour week into one of fewer than five days, and
- (2) to submit my conclusions on the advisability of amending the Canada Labour Code to permit the rearranging of the work week into one of fewer than five days.

I beg to submit herewith my report on Item (1).
A report on Item (2) will be submitted later.

I have the honour to be,

Sir,

Your obedient servant,


Harris S. Johnstone
Commissioner

Ottawa, Canada
27 September 1972

The Honourable Martin G. Connell, P.C., M.P.
Minister of Labour
Ottawa, Canada.

Sir,

On June 22, 1972, pursuant to section 52(1) of the Canada Labour Code (Part III, Labour Standards), you appointed me as a Commission of Inquiry

(1) to inquire into and report on the requirements of section 52(1) of the Canada Labour Code for the purpose of determining whether the Code should be amended to require that the week of 40 hours be reduced to one of fewer than five days, and

(2) to submit my conclusions on the advisability of amending the Canada Labour Code to permit the rearranging of the work week into one of fewer than five days.

I beg to submit herewith my report on item (1). A report on item (2) will be submitted later.

I have the honour to be,

Sir,

Your obedient servant,

Haris S. Jones
Commissioner

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APPOINTMENT OF COMMISSION OF INQUIRY

WHEREAS the Minister of Labour has received requests from Defence Construction (1951) Limited, Air Canada, Bell Canada, the St. Lawrence Seaway Authority and Survair Ltd. to modify the provisions of section 29 of the Canada Labour Code for the purpose of the application of Division I of Part III thereof to certain classes of their employees who are desirous of having their workweek rearranged in such a way as to compress the standard 40-hour workweek into one of fewer than five days, and

WHEREAS the Minister deems it advisable that an inquiry be made into and concerning the employment of employees of these industrial establishments who are liable to be affected by any such modification,

NOW, THEREFORE, the Minister of Labour, pursuant to subsection 62(1) of the Canada Labour Code, hereby appoints Harris S. Johnstone, Esq., of the City of Ottawa, in the Province of Ontario, as a Commission to hold and cause an inquiry to be made:

(1) into and concerning employment practices in the said industrial establishments as they relate to the certain classes of employees listed in attached schedules 1 to 5 inclusive, and to submit its conclusions as to

(a) whether the application of section 29 of the Canada Labour Code without modification would be or is

(i) unduly prejudicial to the interests of employees in the abovementioned classes, or

(ii) seriously detrimental to the operation of the industrial establishments above listed;

(b) whether it is in the best interests of any of the employees in the abovementioned classes

(i) to have their workweek altered in such a way that they will be working fewer than five days in a week, and

(ii) to modify the standard hours of work described in section 29 of the Canada Labour Code for the purposes of the application of Division I of Part III thereof to such employees;

- (c) the manner in which the provisions of section 29 should be modified, if it is concluded that the said provisions should be modified;
 - (d) the conditions or circumstances under which an employee may be required or permitted to work in excess of the standard hours of work as they may be modified; and
 - (e) any matters incidental to or relating to any of the foregoing matters; and
- (2) into and concerning employment in any industrial establishment where the working hours of employees are arranged in such a way that they work fewer than five days in a week, and to submit its conclusions as to the advisability of amending Part III of the Canada Labour Code to the extent necessary to accommodate such arrangements.

The said Commission may engage the services of such technical or expert advisers, clerks, reporters and assistants as it deems necessary or advisable to assist it.

IN WITNESS WHEREOF the Minister of Labour has hereby set his hand and affixed his seal of office at Ottawa this 22nd day of June 1972.

Martin O'Connell
Minister of Labour

SCHEDULE 1

AIR CANADA
Place Ville Marie
Montreal 113, Québec

<u>Classes of Employees</u>	<u>Industrial Establishment</u>	<u>Location</u>
Computer Clerks	Computer and Systems Services Branch	Winnipeg
Computer Operators	"	"
Data Expeditors	"	"

SCHEDULE 2

BELL CANADA
1050 Beaver Hall Hill
Montreal 128, Québec

Note: The classes of employees listed below relate to those covered by collective agreements with the Canadian Telephone Employees' Association. Only a limited number of employees within each class presently working, or about to work, a modified work week on a trial basis, under the averaging principle, will be the subject of the investigation to be conducted by the Commission of Inquiry under Item (1) of the Instrument of Appointment.

<u>Classes of Employees</u>	<u>Location</u>	<u>Approximate Number to be Involved</u>
Central Office Employees	Montreal Toronto	10 30
Clerical Employees	Montreal Sherbrooke Kingston Toronto	40 5 3 30
Plant Construction Employees	Sherbrooke - EA ¹) South Shore - MA) Kingston - CA) Northeast - TA) Kitchener-Brant) (two groups) - WA)	200

¹ EA - Eastern Area; MA - Montreal Area; CA - Central Area;
TA - Toronto Area; WA - Western Area.

SCHEDULE 3

DEFENCE CONSTRUCTION (1951) LIMITED
 225 Metcalfe Street
 Ottawa, K1A 0K3

<u>Classes of Employees</u>	<u>Industrial Establishment</u>	<u>Location</u>
Administrative Officers	Head Office	Ottawa
Clerical Employees	" "	"
Engineers	" "	"
Secretaries	" "	"
Stenographers	" "	"
Technical Officers	" "	"
Typists	" "	"

SCHEDULE 4

THE ST. LAWRENCE SEAWAY AUTHORITY
 330 Sparks Street
 Ottawa, K1R 7R9

Note: The classes of employees listed below relate to those engaged in Operations and Maintenance, or covered by collective agreement with the Canadian Brotherhood of Railway, Transport and General Workers.

Classes of Employees

Assistant Traffic Controller
 Blacksmith
 Blacksmith Helper
 Boatswain - Hercules
 Bridgemaster 5
 Bridgemaster 4
 Bridgeman 1
 Canalman 1
 Canal Maintenance Supervisor
 Captain, Sweep Scow
 Caretaker
 Carpenter
 Carpenter Helper
 Charman (P.T.)
 Communications Clerk
 Crane Operator - Hercules
 Crane and Shovel Operator

THE ST. LAWRENCE SEAWAY AUTHORITY
(Continued)

Classes of Employees

Deckhand - Hercules
Deckhand - Sweep
Diesel-Gas Engineman
Diesel-Gas Engineman (Apprentice)
Diesel-Gas Engineman Helper
Electric Lineman
Electric Groundman
Electrician
Electrician (Apprentice)
Electrician Helper
Electrician Improver
Electrician - Splicer
Electronics Serviceman
Equipment Maintenance Man
Equipment Maintenance Man (Apprentice)
Equipment Maintenance Man Helper
Fireman - Derrick
Gardener 3
Gardener 2
Gatelifter Artificer
Helper - Trades
Hoist Operator
Jack Hammer Operator
Labourer
Labourer - Deckhand
Linesman
Lockmaster 4
Lockmaster 3 - Sault Ste. Marie
Lockmotorman 6
Lockmotorman 5
Lockmotorman 4
Lockmotorman 3
Machinist
Marine Engineer - Tugs
Marine Engineer - Gatelifter
Marine Engineer - 1st Hercules
Marine Engineer - 2nd Hercules
Mason
Motor Truck Driver
Oiler - Tugs
Operations Clerk
Painter
Quartermaster - Stormont
Rigger
Service Equipment Supervisor
Timberman
Tractor Operator - Float
Tractor Operator - Small

THE ST. LAWRENCE SEAWAY AUTHORITY
(Continued)

Classes of Employees

Tractor Operator - Heavy Duty
Traffic Controller
Tug Master
Vessel Information Clerk
Watchman
Welder

Clerical Positions under the Job Evaluation Plan
(Classes 01 to 17)

Carpenter Foreman
Electrician Foreman
Electric-Lineman Foreman
Assistant Equipment Maintenance Foreman
Gardener Foreman - Welland
Labour Foreman
Assistant Labour Foreman
Machinist Foreman
Maintenance Foreman
Assistant Maintenance Foreman
Painter Foreman
Rigger Foreman
Welder Foreman

SCHEDULE 5

SURVAIR LTD.
Box 469, R.R. 5
Ottawa, K1G 3N3

<u>Classes of Employees</u>	<u>Industrial Establishment</u>	<u>Location</u>
Aircraft Engineers	Headquarters	Ottawa
Electronic Engineers	"	"
Electronic Technicians	"	"
Geophysical Data Compilers	"	"
Maintenance	"	"
Management	"	"
Photogrammetric Technicians	"	"
Photographic Technicians	"	"
Pilots	"	"
Secretarial and Accounting Employees	"	"

INTRODUCTION

Following its appointment, the Commission communicated with the five companies that had applied for a modification of the provisions of section 29 of the Canada Labour Code and also got in touch with the two unions that have had established collective bargaining relationships on behalf of the employees of two companies. The employees who might be affected by the applications from the other three companies were not represented by any unions.

The seven parties submitted briefs and later attended hearings at which there was full and frank discussion of the respective cases.

This Report deals only with Item (1) of the Terms of Appointment of the Commission, namely, the applications from five employers.

DEFENCE CONSTRUCTION (1951) LIMITED

This crown corporation services the Department of National Defence basically in their construction needs, administers the contracts for new construction, and is involved in the maintenance of existing buildings. Branch offices are in Halifax, Montreal, Toronto, Winnipeg, Vancouver, and Lahr, Germany. The Canadian Forces (Europe) are now concentrated in and around Lahr. The total working force of the corporation is 225, of which 75 are temporary. No union represents the employees.

The corporation was represented at the hearing by Mr. Alan G. Bland, President and General Manager, and Mr. Nick Tokaryk, Treasurer and Chief of Personnel.

The corporation requested a modification of the provisions of section 29 of the Canada Labour Code so that the hours of work of seven classes of employees in the head office staff in Ottawa may have their work week altered in order to work 4 days instead of 5 days per week. Some 65 persons are affected, in the classes: administrative officers, clerical employees, engineers, secretaries, stenographers, technical officers, typists.

The present work week is one of 5 days of $7\frac{1}{2}$ hours: total, $37\frac{1}{2}$ hours per week, or 1,950 hours per year. The proposed work week is 4 days of 9 hours: total 36 hours per week, or 1,872 per year, some 78 hours less than the 5-day total hours per year.

Initially, the individual employee would be free to opt in or out of the 4-day week voluntarily. It is estimated that about 40 will choose to go on the 4-day week and 25 will continue on the 5-day week. The proposed period of trial is one year.

If the corporation elected to try the 4-day work week under the existing provisions of the Canada Labour Code it would be necessary to pay an overtime rate of time and one half for all time worked in excess of 8 hours per day. The 4-day week would require the corporation to pay 4 hours per week at the overtime premium rate. This would establish two different levels of income among employees choosing to work one or other of the two schedules of hours. This is a bar to the operation of the proposal, and the corporation seeks relief by way of modification of the provisions of section 29.

From the total of 1,950 hours of work per year for the 5-day employees one can deduct $82\frac{1}{2}$ hours for the 11 general holidays where the employees are paid for time not worked, or given another day off if the general holiday falls on a non-working day. That leaves a net total of $1,867\frac{1}{2}$ actual working hours in the year.

If a general holiday falls on a working day of the 4-day work week, employees will be required to work another day instead. Thus, they will work 1,872 hours in the year, some $4\frac{1}{2}$ hours more than the net working hours of the 5-day employees. This difference of $4\frac{1}{2}$ hours will be offset and

reduced to zero by adding 10 minutes each pay day to the lunch hour break of the 4-day employees. This produces a parity in the total annual working hours of the two groups.

For the 5-day employees, the present overtime policy is generally, with some exceptions, time and one half for hours in excess of $7\frac{1}{2}$ daily, and time and one half for all hours worked on normal days off, if recalled to work. For 4-day employees it will be time and one half after 9 hours per day and for all time worked when recalled on normal days off.

The employees are paid semi-monthly. They have 3, 4 and 5 weeks vacation depending upon their length of service, and their regular pay continues while on vacation. A 5-day employee entitled to 4 weeks vacation would be off on 28 calendar days, of which 20 are normal working days and 8 are weekend days. A 4-day employee would be off for 28 days, of which 16 are normal working days and 12 are weekend days.

The present sick leave with pay credit for the 5-day employees is $1\frac{1}{4}$ days per month of service. The sick leave credits for the 4-day employees will be four fifths of $1\frac{1}{4}$ days per month, which will provide equal benefits in respect to total consecutive days off for sickness.

Absence without pay for other reasons would cost the 5-day employee $7\frac{1}{2}$ hours of pay, and the 4-day employee 9 hours pay. This greater pay loss might lessen some absenteeism.

The idea of the 4-day week originated with a small group of about 10 people in the section which analyzes tender

documents. These employees prepare tenders for construction projects, and also receive and analyze tenders that are submitted by bidders on contracts. Frequently the working hours of the group extend beyond normal hours on the four days of the week that tenders are closed, which excludes Mondays. They studied the concept of the 4-day week, discussed it with other employees, and ultimately management arranged a choice of the two plans.

The reasons advanced in favour of the 4-day week were the desire for a longer weekend to indulge, winter and summer, in such diversions as skiing, outdoor recreation, spending time at cottages, and so on. It was expected that much of the delay and frustration of traffic congestion would be avoided on days worked by reason of going to and coming from work at earlier and later times in the day, and by no traffic problem at all on the extra day not worked. This would adequately compensate for the extra $1\frac{1}{2}$ hours worked each day. The employees work inside, in a comfortable, controlled environment, and management believes that the majority of those who try the option will not be fatigued by the 9-hour day. Productivity might improve because the employee has 9 hours in which to work on a particular set of tasks.

Some consideration was given to the effect of the 4-day option on married women who have children: would the longer work day disturb existing arrangements for care of the children and the home? It was concluded that those who could

resolve these problems satisfactorily on the new basis of working hours would probably remain on the new schedule, and those who could not would revert to the 5-day basis.

The extra day will provide more opportunity for moonlighting, but management doubts that it will increase from its present low level.

If the opportunity to try the plan is denied, the majority of employees who want to experiment will be disappointed. Management cannot assert unequivocally that this will be "unduly prejudicial" to the interests of the employees or "seriously detrimental" to the operation of the company. The company proposes to operate the two working hours schedules simultaneously. Failure to try the 4-day week will not impair the operation of the corporation, neither will it be excessively harmful to the interests of the employees, but undoubtedly they will be disappointed and probably feel frustrated if they are not permitted to make the experiment.

AIR CANADA

Air Canada has about 1,600 workers in a broad clerical category who are not under any collective bargaining agreement. Another 400 clerical workers in Winnipeg in the finance group are now represented by the Canadian Air Line Employees' Association which has recently been certified as their bargaining agent.

Air Canada made an application to the Minister of Labour for a modification of the provisions of section 29 of the Canada Labour Code in order to have the work week of about 10 clerical employees in Winnipeg rearranged so that they will be working less than 5 days in a week. At the time of application these 10 employees were in the Computer and Systems Services Branch, Winnipeg, and were classed as computer clerks, computer operators, data expeditors.

At the hearing on August 22, 1972, Air Canada was represented by:

Mr. Pierre Mercier	Director, Labour Relations
Mr. John P.T. Gilmore	Labour Relations Assistant
Mr. Raymond Myatt	Administrative Services Supervisor
Mr. Larrie Davies	Computer Operations Supervisor

There has been some turnover in this computer group in Winnipeg since the initial application was made; they are all computer operators now, but are still within the broad clerical category. The computers, IBM 360s, must be operated

24 hours a day, 7 days a week. The computer results are on paper forms and much of the time of the operators is spent on mounting and dismounting the various types of forms for the computer reports.

In 1967 Air Canada adopted a 13-week averaging plan for clerical workers and other classes of employees. Under this arrangement a typical work schedule for the Winnipeg group is seven 8-hour days, then 3 days off, followed by six 8-hour days and then 4 days off - a cycle of 20 days which is repeated with appropriate and necessary change in shifts to provide 24-hour, 7-day per week coverage. One 30-minute lunch period and two 10-minute coffee breaks are scheduled within each 8-hour shift. The employees are paid bi-weekly for regularly scheduled 40-hour weeks.

When an employee is recalled to work on his day off, he receives time and one half for all time worked. A rate of time and one half is paid for work in excess of 8 hours per day. Vacations with pay are now two weeks after one year of employment. Absenteeism for one day on account of some kinds of sickness, or for other reasons, means the loss of 8 hours pay.

Last year the employees in this group became interested in the proposal to compress their 40-hour week, on an average, into a work week of 3 days. One of their number had previously worked the 3-day week elsewhere and was very much

in favour of it. In November 1971 they asked the corporation for a trial period of six months. In subsequent discussions and meetings more details of the plan were settled.

This trial of a 3-day week could have been started under the existing averaging of hours that had been applied since 1967. However, within the last six months Air Canada became aware that there was considerable uncertainty as to the validity of the arrangement of using 13-week averaging, and under these circumstances management was reluctant to embark upon the 3-day plan until clear authority to do so was obtained. Hence the present application for a modification of the provisions of section 29 of the Code.

The new plan is for a trial period of six months consisting of weeks of 3 days of $12\frac{1}{2}$ hours each, total $37\frac{1}{2}$ hours, to replace the present schedule which is keyed to 5 days and 40 hours per week. Full 24-hour coverage will be provided by two $12\frac{1}{2}$ -hour shifts, replacing three 8-hour shifts. The extra half hour beyond 12 hours will permit necessary briefing between employees going on duty and those going off. Each work day of $12\frac{1}{2}$ hours will include one 30-minute lunch period and three 10-minute coffee breaks: total 1 hour. The 3-day employees will work 130 hours ($52 \times 2\frac{1}{2}$) less in the year than formerly, and Air Canada states this more than satisfies the general holidays requirements in Division IV of Part III of the Code.

Consideration was given to the use of 10-hour shifts. In order to cover 24 hours, this would involve the use of 4-hour fill-in shifts, and this is not a workable arrangement within this small group.

The employees felt that the 3-day plan would provide them with opportunity for self-improvement, such as participation in home study courses, greater convenience in shopping, more time for recreation, and the utilization of other privileges. The greater freedom and less time spent in travelling to and from work was mentioned, but this was not regarded as an important factor in Winnipeg, a city of wide streets. The effect on the home life of the employees was considered but no conclusions could be reached as to whether the new working hours would be helpful or harmful. Only a trial period of six months will provide clearer indications in this area.

No overtime work would be permitted after 12½ hours work. When recalled to work on normal days off, time and one half will be paid for all time worked, and the call-in basis will be from employees on their days off commencing with their fourth, third, second and first day off sequentially until coverage has been secured. Not all weekends will be 4 days off. Because of changing schedules there will never be less than 2 days off and at times as many as 8 days off, but they will average 4 days off over an extended period.

Vacations are now 14 calendar days with pay after one year of employment. There will be no change, but if the

vacation period commences at a time when the employee comes off a shift he could be off as much as 20 days.

For certain types of sickness there is sick leave pay. For the 3-day employees it will be $12\frac{1}{2}$ hours pay instead of 8 hours pay. Absenteeism will cost the employee $12\frac{1}{2}$ hours pay, not 8 hours as under the regular schedule. Moonlighting has not been a problem with this Winnipeg group, and the employees agreed among themselves that they would not take a second job during the trial period.

Abandonment of the 8-hour day and probable fatigue during the $12\frac{1}{2}$ -hour day were discussed by management and the employees in a series of a dozen meetings. The employees work inside, in a controlled environment. They can move about, are sitting down about half the time and on their feet the other half of the time, mounting and dismounting the various types of forms for the different kinds of reports. They feel that they can cope with the longer hours each day; in any event, they want to try it.

They do not have any apprehensions about changes, up or down, in productivity. They are in a position to monitor this because the error rates and other factors built into the computers will disclose what is happening. The error rate graph in the trial period will show exactly at what time in the working day errors occur. They do not think there will be any increase in productivity; there may be a decrease.

The error rate has not gone up when an employee worked one or two hours overtime after 8 hours.

The trial must include all employees, and all have signed the petition to start. In this small cohesive group, working in teams, there can be no opting in or out.

Air Canada doubts that this trial, if successful, will escalate to other larger groups. It is more likely to succeed within specialty groups that have a uniform set of working conditions and a cohesive working plan. Except for the clerical group, all the other employees are under collective agreements and any change to a week of less than 5 days would be by negotiation.

There was considerable discussion of the criteria in the Terms of Appointment of the Commission of Inquiry. It has to be established that the application of section 29 of the Code without modification is "unduly prejudicial" to the interests of the employees or "seriously detrimental" to the operation of Air Canada.

Air Canada contended that if section 29 operated to prevent the introduction of the reduced work week which the employees wish to try, then the interests of the employees would be frustrated and this is a prima facie case that the operation of the Code is unduly prejudicial to the interests of that employee group.

The Commission pointed out that "excessively harmful" or "injurious to an undue degree" have the same meaning as "unduly prejudicial". How can the employees be harmed, seriously harmed, by being denied an opportunity to try a different system of days and hours, when that different system itself may be harmful? The Air Canada reply was that the employees' interests, and their desire to experiment, are being frustrated and prejudiced. They do not mean that this situation is excessively injurious.

Air Canada was asked to explain how and in what manner is denial of the trial plan "seriously detrimental" or "severely damaging" to the operation of Air Canada. The reply was that it is fundamental to the financial success of any corporation that it respond to the legitimate desires of the employee group, and that failure to respond will have an effect on morale, on attitude and on motivation which is going to roll over and have an effect upon the corporation as a whole. Air Canada admitted that these effects on morale and motivation will not have any observable detrimental effects upon the transportation of passengers and mail across Canada and around the world, but there could be a problem of human relations at the local level which could create a number of other situations that might be very difficult to identify. The Code should not hinder Air Canada's opportunity to help the employees if they feel the plan is beneficial to them.

SURVAIR LTD.

Survair Ltd. is engaged in aerial surveying, mapping, geophysical surveys and reprographics. The headquarters staff at Ottawa is presently on an 8-hour day, 5-day week. The company wishes to try out a 4-day work week and made application to the Minister of Labour for a modification of the provisions of section 29 of the Canada Labour Code with respect to 91 employees in 10 classes: aircraft engineers, 7; electronic engineers, 3; electronic technicians, 2; geophysical data compilers, 18; maintenance, 2; management, 9; photogrammetric technicians, 21; photographic technicians, 9; pilots, 12; secretarial and accounting employees, 8. No union represents the employees.

At the hearing on August 29, 1972, the company was represented by:

Mr. Tom E. Rowlands	President
Mr. David J. Rowlands	Vice-president

Late in 1971 Survair became interested in the modified work week after reading articles that appeared in newspapers and magazines. In January 1972 a company newsletter to the employees presented the pros and cons of the changed work week. A poll of the photogrammetric department showed unanimous consent for the 4-day week on a trial basis. After more discussion a second poll of all classes and employees

available (some were absent on assignments in Africa and elsewhere or on vacation) showed 80 per cent in favour of a trial.

The company applied to the Department of Labour for permission to average hours of work, under which arrangement the trial of 4 days per week could commence. They were advised that the employees were working regular hours, not irregular hours as required by the Code, and averaging was not allowed. An averaging plan had previously been approved for aircraft engineers and pilots. The eight classes for whom averaging of hours was not permitted included one class of 9 management employees. To the extent that the so-called management employees perform management functions they are not under the hours of work provisions (Part III) of the Code. But at times they perform production duties and hence they were included in the application.

The company and the majority of the employees wished to try out the 4-day, 40-hour week for a period of not less than six months and not more than a year, at which time its benefits and disadvantages will be studied. All employees would be included; there would be no opting in or out.

The establishment is presently open for business 5 days a week. Under the 4-day plan the business will function 7 days a week on a straight-through operation. The machines are now idle two days each week. Under the trial plan the machines will be in use 70 hours instead of 40 hours as at present. This will require the employment of about one

third more persons. This, of course, is dependent upon the market for the services the company can provide.

The present overtime policy is time and one half after 8 hours a day and double time on Sundays and holidays. Under the 4-day plan the same general policy will apply except that time and one half will apply after 10 hours a day.

Sick leave with pay is provided by a combination of insurance carried by the company with certain supplementary contributions by the employer. This will be continued.

The Code requires eight general holidays with pay; the company observes nine holidays plus two half-holidays for the picnic and the Christmas party. If a general holiday occurs on the regular working day of an employee on the 4-day week, he will be paid for that day for time not worked or, alternatively, he may have the holiday transferred to make a longer weekend.

The employees wish to try the 4-day plan because of the increase in effective leisure time without a reduction in wages, the enthusiasm of the employees of other companies that have already tried out the shortened work week, the reduction in commuting time and costs to the extent of about 20 per cent, and the desire to be the first company in this particular industry to try the new schedule.

The company believes that the new system will have the effect of increasing efficiency and productivity; improving personnel morale and reducing staff turnover; reducing

tardiness, absenteeism and the number of overtime hours expended. No close evaluations have been made of these probable benefits; rather, they are the results of the company's studies of similar plans in effect elsewhere.

No estimate has been made by the company as to the possible effects of fatigue and boredom during the 10-hour day, nor the possibility of an increased rate of injury and accident. Regularly the pilots and aircraft engineers, whose hours are averaged, have worked long hours for several days to complete aerial photography in favourable weather, and no serious fatigue difficulties have been encountered. The Department of Transport's stringent regulations ensure that the pilots and aircraft engineers are on duty cycles that do not produce fatigue to the extent that flying operations become unsafe.

The employees have discussed the possible effects of the 4-day plan on their home life and domestic responsibilities. Employees' wives who are working may have the problem of conflicting schedules where the husband may be on the 5-day week and the wife is on a 4-day week. In other situations the hours schedules may be reversed. In either case there may be difficulties in looking after the children. More about this will be learned by the experiment, the trial period.

The company agrees that the phrase "unduly prejudicial" to the interests of the employees connotes serious injury being imposed upon them. It is difficult to determine, except

by an actual trial, whether or not a new schedule of hours will be helpful or damaging. In this situation it is impossible to prove injury if one is not empowered to undertake any form of experimentation.

The company contended that the denial of access to a system known to have the effect of increasing efficiency and productivity, improving personnel morale, reducing staff turnover, tardiness, absenteeism and overtime hours constitutes a situation that is detrimental (though not seriously detrimental) to the operation of its industrial establishment. This claim is based upon the reported experiences of other companies. The company admitted that it has not had an opportunity to discover whether or not it would realize all these potential benefits.

BELL CANADA

Bell Canada operates primarily in Ontario and Québec and at some isolated sites in Goose Bay and Labrador City, Newfoundland. Bell Canada applied to the Minister of Labour for a modification of the provisions of section 29 of the Code for the purpose of rearranging the work week of 40 central office employees in Montreal and Toronto; 123 clerical employees in Montreal, Sherbrooke, Kingston, Toronto and Ottawa; and 200 plant construction employees in Sherbrooke, Montreal area, Kingston, Toronto area and Central area: total 363 employees. The Canadian Telephone Employees' Association joined in the request but made a separate submission.

At the hearing on August 30, 1972, Bell Canada was represented by:

Mr. L.C. Godden	Assistant Vice-President, Labour Relations
Mr. J.E. Nolan	General Supervisor, Labour Relations, Plant
Mr. H.S. Paul	General Supervisor, Labour Relations, Clerical
Mr. I.M. Hay	Staff Supervisor, Working Conditions and Contract Analyses
Mr. K. Thuell	Staff Supervisor, Outside Plant
Mr. G.C. Clermont	Solicitor

In 1971 the Canadian Telephone Employees' Association, which represents approximately 21,000 Bell employees (craft, services, marketing and clerical), initiated a series of consultative meetings with management to consider the

feasibility of scheduling a long day, shorter work week for employee groups deemed suitable and willing for such a rearrangement of hours. The employees were working under averaging of hours as permitted by the Canada Labour Code, and consequently there was sufficient flexibility in the legal requirements on hours of work to permit the proposed rearrangement of hours. However, Bell was notified in May this year that averaging for clerical people was being reviewed and may be discontinued.

The union and management agreed upon and executed a memorandum of agreement to permit specific groups of employees to participate in controlled field trials of a modified work week. This memorandum covered such matters as hours of work, overtime, general holidays and vacations.

Some Bell operations must be serviced 24 hours per day, 7 days per week. Other operations, such as installations and repairs, must keep pace with customer demands and cope with regular maintenance requirements and emergencies. Basically, the working hours are keyed to 8 hours per day 5 days per week, with overtime at time and one half or more thereafter; but there are some necessary variations in this basic pattern.

Several different schedules of hours were proposed, accepted by the employees and commenced on an experimental basis in June 1972 in order to bring about a modified work week.

One group of seven employees in Toronto who operate a UNIVAC 418 computer was placed on a schedule of day and night

shifts of three 12-hour days in one week followed by three 12-hour days and one 8-hour day the following week. In two weeks they work 36 plus 44 hours, a total of 80 hours. This machine receives data from Newfoundland to Vancouver, and must be manned continuously. The 12-hour and 8-hour pattern fits into a 24-hour coverage better than 10-hour schedules. The employees are off duty from two to five days at a time, and average seven days off over bi-weekly periods. When they were on 8-hour shifts they had two days off per week.

They work in an environment where temperature and humidity are controlled, and they can move about. There is a small lounge and a coffee machine near the computer, and a cafeteria in the basement. The day shift has an hour off for lunch and the night shift has lunch on company time.

Some craft (construction) employees are on a schedule of four 10-hour days a week. They work outside and maintain cables and poles. Much of this work is programmable, except for emergencies. For any necessary overtime beyond 10 hours per day time and one half is paid, and the same premium is paid for all hours worked when recalled on the regular day off.

Some clerical employees who are the backup to construction employees at five locations are on a schedule of three days of 9½ hours and one day of 9 hours - a total of 37½ days a week.

Many more employees than the 363 on the trial hours wish to go on the modified work week. Bell has about 10,000

craftsmen, sometimes referred to as construction employees. In order to arrange such scheduling satisfactorily the work has to be programmable, and this kind of work involves about 5,000 craftsmen. The other 5,000 are on demand work that must be done when the customer demands it. The very extensive moving of households each year, and the large number of new houses, apartments and offices being built and occupied, place heavy demands on craftsmen engaged in the removal and installation of telephones, and it is difficult to work out and apply a modified work week for these employees.

Bell is watching carefully for any effects of fatigue, particularly with respect to those on 12 hours per day. The employees will be interviewed by company medical officers on a continuing basis. Employee errors will be monitored. If fatigue is a factor it may show up in November or December after the employees have been on the extended daily hours for five or six months.

Certain advantages of the modified work week are: the additional leisure time; the saving of about 20 per cent of cost in time and money in travelling to and from work (most noticeable in large metropolitan centres); the greater extent to which a particular job, such as splicing a cable containing 5,000 or more wires, can be completed in the longer working day, thereby saving considerable time and cost in the start-up and close-up operations.

Bell anticipates that there will be reduced absenteeism (each day without pay is more expensive for the employee), reduced staff turnover and increased ability to recruit employees, but explains that it is too early fully to assess these possibilities because the new schedules have been in effect for only two months for a relatively small number of employees.

Bell contended that the present application of section 29 of the Code, without modification, is prejudicial to the interests of the employees and to the operation of the industrial establishment because it makes unavailable the above-cited advantages, actual or anticipated.

Bell was asked whether the application of section 29 without modification is unduly prejudicial, or excessively harmful, or damaging to an undue degree to the interests of the employees. Bell replied that the union, representing 21,000 employees, made a strong case; there is great interest in the trial, which is not limited to only the people on the new schedule, but Bell cannot say to what degree it is unduly prejudicial. It would depend on the individual - there are cost savings to him. Bell is not sure whether it is unduly prejudicial or only a minor irritant. Bell functioned for many years without such schedules of hours.

Bell was asked whether the application of section 29 without modification is seriously detrimental - that is, severely damaging - to the operations of the company. Bell

said that it is not severely harmful to the operation of the company that the employees be denied an opportunity to enter upon a trial period.

CANADIAN TELEPHONE EMPLOYEES' ASSOCIATION

The Association has a membership of about 18,000, which is approximately 87 per cent of the Bell Canada employees, comprising 9,400 craftsmen, 1,400 service employees, 400 equipment salesmen and 10,000 clerical employees. Membership is voluntary. There are no union security provisions in the collective agreement except that there is the irrevocable check-off. The union is independent, it has no affiliation with any other labour unions.

At the hearing on August 29, 1972, the Association was represented by:

Mr. T.A. Eidt	Vice-President, Craft
Miss Laurette Poirier	Vice-President, Clerical

The union was the prime instigator of the move for a modified work week. A series of meetings commenced late in 1971, and after some difficulties had been resolved the Association decided to proceed with a trial of the modified work week for selected groups of craft and clerical employees. Interest among the members was high and they hoped to extend the trial to other groups as soon as possible.

Since July 1965 Bell Canada has used a 13-week averaging of hours of work for clerical and most of the other groups of employees, and since January 1967 a 52-week averaging plan has been in effect for craft and service employees who were largely engaged on construction and installation.

The flexibility in standard hours and in maximum hours allowed by the averaging plans in effect for some time permitted the introduction of a modified work week which commenced in June 1972 on a trial basis. Some craftsmen (splicers and linesmen) went on a 4-day week of 10 hours per day. Some clerical employees started on the 4-day, 40-hour week, and others remained on the 5-day, 40-hour week. Other clerical and sales employees were on a schedule of 5 days of $7\frac{1}{2}$ hours: total $37\frac{1}{2}$ hours a week. Some workers commenced a schedule of three 12-hour days in one week followed by three 12s and one 8-hour day the next week: 80 hours total in seven working days each bi-weekly period. The collective agreement has been amended to permit the $9\frac{1}{2}$ hours, 10 hours and 12 hours to be worked at straight time rates of pay. There was some rotation of employees through these various schedules. Time and one half is paid for all hours worked in excess of the daily and weekly scheduled hours and for all time worked when called back on the regular day off.

The Association became aware that Bell might not be permitted to continue averaging for some employees, principally clerical, because their hours are regularly scheduled hours and therefore might not comply with the Code conditions under which averaging is allowed. Hence the application to the Minister for a modification of the provisions of section 29 of the Code.

Spurred on by the expressed desire of about 2,000 employees who wish to try the new plan, including some 253

employees who have signed a petition to do so, the Association is trying to arrange for more employees to go on the shorter work week, and at the same time is endeavouring to appraise the advantages and disadvantages experienced by those already on the changed hours schedules.

Despite the eagerness of the employees to go on a regime of longer hours and less days in the week, the Association is concerned about the possible fatigue and boredom of the longer daily hours. They have arranged for the medical officers of Bell Canada to monitor the behaviour of the employees. A survey, by way of a questionnaire and other methods, will start soon and will be repeated quarterly. The questionnaire will also elicit information on other problems that might arise in terms of family life. The Association realizes that fatigue may be a greater problem in winter, when there are fewer daylight hours than in summer, more chores to do around the house in cleaning snow from pathways, and more difficulty in travelling to and from work in cold weather. Only careful and repeated observation will establish the true extent of problems that may exist in this area.

Consideration has been given to the cases of married women working on the longer day who have children, and what changes will need to be made for the care of these dependents for the extra hours each day. As far as possible these matters were discussed with employees before going on the trial plan.

It will require some readjustment in family life, but the thought of the extra day off is some compensation for the other inconveniences.

The great attraction of the new schedules of hours is the "blocks of leisure" feature. It permits greater and regular weekly enjoyment of free time, which many employees find much preferable to the delayed enjoyment of annual vacation or retirement.

The Association was asked whether it would be unduly prejudicial to the interests of the employees if section 29 were not modified and the averaging of the hours of certain employees was no longer permitted. The Association contended that, without modification, section 29 would be prejudicial to the interests of both employees and management because it could prevent them from doing something they wish to do. It is in the best interests of many of the employees to have their work week altered in such a way that they may work fewer than 5 days in a week. It would not be possible to work the employees on the schedules of hours presently in effect, and this would be excessively harmful to the employees.

The union's long-term objective is the 4-day, 32-hour week. The trial of the modified work week will identify whether it is workable to drop the extra day. The union is not sure that all jobs will lend themselves to the modified work week. The trial is for those for whom the modified work week seems most suitable. The union does not believe that the longer daily hours and the less number of days in the week constitute a situation that is socially undesirable.

THE ST. LAWRENCE SEAWAY AUTHORITY
CANADIAN BROTHERHOOD OF RAILWAY, TRANSPORT AND GENERAL WORKERS

The St. Lawrence Seaway Authority made an application to the Commission of Inquiry for a modification of the provisions of section 29 of the Canada Labour Code with respect to the maximum number of hours of work in a day. The application related to 88 classes involving about 1,000 employees engaged in operations and maintenance or covered by collective agreement with the Canadian Brotherhood of Railway, Transport and General Workers. The Brotherhood made an application to the Commission in similar terms.

At the hearing on August 31, 1972, the parties were represented by:

Mr. John T. Carvell	Counsel for the Seaway Authority
Mr. Edward H. Finn	Legislative Director of the Brotherhood

The over-all employment of the Seaway is approximately 1,800, of which about 1,300 are represented by the Brotherhood. Not included in the application are the clerical workers at headquarters in Cornwall, construction workers, clerical employees in the Montreal engineering branch who are represented by another union, and clerical workers in Ottawa who are not represented by any union.

Interest in the modified work week was touched off by a group of employees in the eastern region at St. Lambert, who prepared a brief for circulation to unionized Seaway

employees. The brief suggested consideration of a modified work week involving a 12-hour day for employees working in traffic control centres which are manned 24 hours a day. Their plan was based on three 12-hour days plus 4, 8 and 12 additional hours in some weeks so that, over a 30-week period, the average weekly hours would be 40. Management became interested in the general idea and wrote to the Department of Labour concerning the possibility of revisions in the Canada Labour Code and Regulations which would permit a reduction in the number of days in a work week without reducing the number of hours worked and without the necessity of paying premium rates. An inquiry was requested pursuant to section 62 of the Code.

The Brotherhood has six locals representing Seaway workers affected by the application. A meeting was convened with representatives of the locals. They stated that there was some sentiment among the employees for reducing the work week on an experimental basis of, perhaps, one year, after which time they would be able to assess the effects on the membership. But at that time they were not aware of any great demand on the part of the members for this. They had heard about the experiments in other industries and were willing to discuss with the Seaway Authority possible changes that would result in reducing the number of work days in the week.

After the Inquiry Commission had been appointed there was a meeting between the Seaway Authority and the Brotherhood, and it was then agreed that the parties would make a joint submission.

The present practice is time and one half after 8 hours per day 5 days per week, leaving 2 days of rest each week. Employees recalled to work on their first rest day receive time and one half for all time worked, on the second rest day they are paid double time. The minimum on call-outs is pay for 4 hours which may be at time and one half or double time, whichever applies.

The union is concerned about the reference to compressing the standard 40-hour work week into one of less than 5 days. They do not wish this to be an obstacle to the possibility of negotiating a compression of the work week so that there will be a reduction in the total number of hours in the week as well as the number of days in the week. At this stage the union has no concrete proposals to present to the Commission or to the Seaway Authority, but is prepared to negotiate with the Seaway. In view of this, the union is in substantial agreement with the Seaway Authority in seeking to have the legal right to modify the work week for certain employees of the Seaway in such a way that there may be an increase in the number of hours in the day without requiring the Seaway Authority to pay overtime. But the union wishes to make it clear that it wants to retain the objective of decreasing the number of hours in the week in such a way that it could lead, for example, to four 9-hour days, which would be 36 hours in the week instead of the standard 40 hours.

The labour movement generally, and the Brotherhood in particular, are very reluctant to enter into any kind of an agreement that lengthens the work day. Eight hours is sufficient. But it depends a great deal on the kind of work and on the motivation.

If the work is onerous, repetitive and physically taxing, then the disadvantages of having a longer work day would outweigh the advantages of having an extra day off in the week. The union would be concerned about fatigue, the increased danger of accidents, and perhaps the loss of productivity in the later hours of the day.

If the work is not physically demanding, if it is creative or stimulating and interesting to the employee, then an increase in the number of hours certainly would have little or no adverse effect. In those circumstances the advantages of having that extra day of leisure would outweigh the disadvantages of having a longer work day.

In respect to employment on the Seaway, there may be jobs which would lend themselves to a longer work day with a shorter work week, but even here the union hopes that it would be an interim step toward that most desirable objective, a reduction in the number of hours in the week as well as a reduction in the number of days in the week. The most desirable goal is the 4-day, 32-hour week.

The union would be reluctant to approve an over-all agreement that would involve extending the work day, but if

it were seen as a transitional period toward a reduction of the number of hours in the week, then the union might well consider it favourably.

In any proposed change the union would have to take into consideration the paramount factor of the employees' own wishes, and be governed ultimately by their decision as to whether or not the majority of them want the change, experimentally or otherwise. If the majority did favour it, the union would enter into negotiations on the details. Initially, the change would be for one year and later it might be extended to two years, the length of the normal agreement.

The Seaway Authority is prepared to explore the possibility that some workers, such as maintenance workers not on a shift basis, could work a 4-day week of more than 8 hours a day without fatigue. The 12-hour day may be unsafe, but it is difficult to schedule 24-hour operations on the basis of 10-hour shifts. Management would be prepared, however, to consider four 10-hour days for non-shift employees and, for appropriate shift employees, three shifts of 12 hours and then a floating 6-hour shift rather than an 8-hour shift, to make a weekly average of 40 hours over several weeks. This would be a form of averaging. But no definite schedules have been worked out on this basis.

The Seaway does not apply averaging under the Code, but the union referred to averaging on the Canadian National Newfoundland Steamship Service where the employees are represented by the Brotherhood. The employees work 12 hours a day

7 days a week at straight time rates, and then are off duty with pay for an equivalent amount of time. The union has not detected any particular hazard from fatigue or boredom resulting from this arrangement of hours of work. The union agrees that in certain kinds of work 8 hours a day is plenty; but in other types of work where the employees are in a more or less controlled environment, have freedom to move around, can take little breaks now and then, it is possible satisfactorily to work longer daily hours.

The union agrees that the attraction of the 3-day weekend as a regular benefit is quite strong. The question is whether the worker is prepared to pay the price of the longer work day; that is a subjective factor that varies with the individual worker. The union intends to investigate this matter more thoroughly than it has up to this time. The clerical people are working under conditions that are fairly comfortable, and certainly would be receptive to the change. The majority of operations and maintenance employees may not acquiesce so readily in adopting the new schedule of hours.

The Seaway Authority referred to overtime hours being worked under present arrangements. The relief man for an operational employee on an 8-hour shift may not report for work, due to illness or other reasons, and when no spare man is available the employee completing his shift may have to remain on the job and would work a total of 12 or 16 hours at a stretch. In an emergency - where a vessel has collided with a gate and navigation is stopped until repairs are made - some of the

8-hour maintenance men would work another complete shift. These instances of a 16-hour work day are not common; they would be more common on the operational side. The maintenance workers may have, on occasion, to work one to four hours beyond their 8-hour shift; in these cases there must be at least 8 clear hours off before they go back to work.

The union was asked whether being prevented from trying the new schedule of hours by failure to secure a modification of section 29 would be unduly prejudicial to the interests of the employees. The answer was "no". The union joined with the Seaway in the application because they feel that, as now worded, the Code could inhibit to some extent their options at the bargaining table. It could be a deterrent to experiments in this area, but it is not a major concern.

The Authority was asked whether inability to try new schedules of hours by reason of the Code requirement of time and one half after 8 hours will constitute a situation seriously detrimental to the day-to-day operations of the Seaway. The answer was that this will deter the Seaway from negotiating and experimenting in certain areas that may be mutually desirable or mutually beneficial, but this will not be seriously detrimental to the operation of the business. The Authority believes that no waiver could be obtained under the present provision; it would require an Act of Parliament to make the necessary modifications in the Code.

SUMMARY

Some employers had worked out specific schedules of hours in order to have a working week of less days and, in some cases, less total weekly hours. They had also calculated a pro rata procedure for general holidays, sick leave and vacations with pay. One company has had the experiment under way for two months. One company had no specific hourly schedules to propose; the matter is still in the consideration stage.

Defence Construction (1951) Limited is prepared to operate on the present 5-day basis and the new 4-day basis simultaneously. The employees can opt in or out. The officials said that it would be a matter of considerable disappointment to some employees if they were not allowed to try the new arrangement on hours; but inability to embark upon the new plan is not unduly prejudicial to the interests of the employees. Nor is it seriously detrimental to the operation of the corporation, which can carry on satisfactorily under one or both plans.

Air Canada officials contended that if section 29 of the Code operated to prevent the introduction of the reduced work week, then the desires of the employees would be frustrated and this would be unduly prejudicial to their interests. Upon further discussion of this contention Air Canada agreed that, although the employees' wishes and their desire to experiment might be frustrated, this does not mean that this

situation is excessively harmful or injurious. It is not yet known whether the proposed schedule of hours would be helpful or harmful; the denial of an opportunity to clarify this matter is simply a lack of opportunity to test something that appears promising.

Air Canada claims that it is fundamental to the financial success of any corporation that it respond to the legitimate desires of the employee group, and failure to respond will have an effect upon morale, upon attitude and motivation that will roll over and have an effect upon the corporation as a whole. Air Canada could not show where these possible effects on morale, if in fact they ever did or would occur, have had or will have any observable detrimental effects upon the transportation of passengers and mail across Canada and around the world. It was not demonstrated that failure to try a new plan of hours of work is seriously detrimental to the operation of the airline.

Survair is convinced that the 4-day week has many advantages and few disadvantages for the employees, an opinion that was formed after reading about similar experiments made in other industrial establishments. The company agrees that the words "unduly prejudicial to the interests of the employees" connote serious injury being imposed upon the employees. Only an actual trial will disclose whether the modified work week will be helpful or harmful. It is not possible to prove injury if the company is not in a position to make the experiment.

The same circumstances preclude the company from asserting that failure to try the plan is seriously detrimental to the operations of Survair Ltd.

Bell Canada said that there is great interest in the new schedule of hours on the part of many employees in addition to those who are presently on the changed hours. Bell cannot say to what extent failure to obtain a modification of section 29 is unduly prejudicial to the interests of the employees; it may be only a minor irritant. Bell functioned for many years without such a schedule of hours.

Bell stated that it is not seriously detrimental - that is, seriously damaging - to the operations of the company that the employees be denied an opportunity to work on the newly scheduled hours now in effect for some of them.

Canadian Telephone Employees' Association contended that without modification section 29 would be prejudicial to the interests of both employees and management because it could prevent them from doing something they wish to do. The union's long-term objective is the 4-day, 32-hour week, and the trial of the modified work week will determine whether it is feasible to drop the extra day. The trial of the changed work week is for those for whom the changed hours seem most suitable; not all jobs lend themselves to this arrangement.

The St. Lawrence Seaway Authority said that being prevented from trying the new schedule of hours would not be unduly prejudicial to the interests of the employees, nor

does it constitute a situation which is seriously detrimental to the day-to-day operations of the Seaway. But it does limit the Seaway's ability to negotiate and experiment in certain areas which may be mutually desirable and beneficial.

The Canadian Brotherhood of Railway, Transport and General Workers said that being prevented from trying the new schedule of hours would not be unduly prejudicial to the interests of the employees. It could be a deterrent to experiments in this area, but it is not a matter of major concern to them.

CONCLUSIONS AND RECOMMENDATIONS

Referring particularly to (1)(a) of the Terms of Appointment, it is the opinion of this Commission that the parties have not established that the application of section 29 of the Canada Labour Code without modification would be or is unduly prejudicial to the interests of the employees, or seriously detrimental to the operation of the industrial establishments.

Referring to (1)(b) of the Terms of Appointment, it is the opinion of this Commission that it is in the best interests of the employees that they be given an opportunity to have their work week altered in such a way that they will be working fewer than five days a week, which is an experiment the employees and employers jointly desire to make because they believe the working of a week in less than five days may provide them with benefits in excess of any disadvantages that they may experience.

Referring to (1) (c), (d) and (e) of the Terms of Appointment, the Commission recommends that, upon a joint application of the parties in a form and terms satisfactory to the Minister, a regulation should be enacted to provide that a work week of 40 hours in less than five days be permitted, and that the overtime rate of time and one half time be not required after 8 hours per day as at present.

The Commission further recommends that the modified work week, in each case, be subject to review by the parties and

the Minister at the end of six months from its inception, and that its alteration or continuance shall be at the discretion of the Minister.

PHASE II

At a later date a report will be made on Item (2) of the Terms of Appointment, an inquiry "into and concerning employment in any industrial establishment where the working hours of employees are arranged in such a way that they work fewer than five days in a week, and to submit its conclusions as to the advisability of amending Part III of the Canada Labour Code to the extent necessary to accommodate such arrangements".

